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SURFACE TRANSPORTATION BOARD

## FIRST UNION RAIL

One O'hare Centre  
6250 River Rd, Suite 5000  
Rosemont, IL 60018

Tel 847.318.7575  
Fax 847.318.7588  
www.firstunionrail.com

VIA UPS 2<sup>nd</sup> DAY AIR

February 16, 2012

Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Suite 100  
Washington, DC 20423-0001  
Re: Documents for Rail Recordation

**Re: Memorandum of Lease Agreement**

Dear Section Chief:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are one (1) original and two (2) copies of a Memorandum of Lease Agreement dated November 15, 2011 a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
One O'Hare Centre  
6250 N River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Methes Energies Canada Inc.  
4170 Sladeview Cres., Unit 5  
Mississauga, Ontario  
L5L 0A1 CANADA

A description of the railroad equipment covered by the enclosed document is for one (1) tank car marked FURX 123654.

A short summary of the document to appear in the index follows:                      Memorandum of Lease

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Sincerely,



Marcia Dunne  
Senior Documentation Specialist

Enclosure  
(MEEC001)

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ASSGN. NO.: MEEC001

REGISTRATION BOARD

**MEMORANDUM OF LEASE**

**THIS MEMORANDUM OF LEASE** (the "Memorandum") is made and entered into as of this the 15th day of November, 2011, by and between the Montreal branch of First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Methes Energies Canada Inc. ("Lessee"), an Ontario corporation.

**WITNESSETH:**

The undersigned Lessor and Lessee have entered into that certain Lease Agreement dated as of November 14, 2011, (the "Lease") and Rider No. 1 thereto dated as of November 15, 2011, (the "Rider"), whereby Lessor has agreed to lease to Lessee certain railcars as more particularly described on Exhibit A attached hereto and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider which are incorporated herein by reference.

**IN WITNESS WHEREOF**, the parties hereto have each caused this Memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written (and each of the undersigned declares under penalty of perjury that he or she holds the title indicated below and that the execution of this Memorandum was the free act and deed of its corporation).

**LESSOR:**

FIRST UNION RAIL CORPORATION

By: Susan A. BarrieName: Susan A. BarrieTitle: Regional Vice President, Sales**LESSEE:**

METHES ENERGIES CANADA INC.

By: [Signature]Name: HAN NGTitle: DIRECTOR OF BUS OPERATIONS

**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

**NUMBER OF CARS:**           One (1).

**DESCRIPTION OF CARS:**   Tank car.

**CAR NUMBER:**             FURX 123654.